



**American Homeowners Grassroots Alliance**

*Representing the nation's 75 million homeowners*

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## **U.S. Homeowners Paying Thousands Too Much to Sell Their Homes**

*Homeowners Urge Action to Stop Anticompetitive Practices at Oct. 25 Justice Department/FTC Real Estate Competition Policy Forum*

Oct. 25, 2005 – Arlington, VA – The American Homeowners Grassroots Alliance (AHGA), a national consumer advocacy organization serving the nations' homeowners, is urging policymakers to tear down the growing number of artificial barriers to consumer choice that are preventing consumers from saving money on real estate transactions. They include:

- Restricting consumer access to alternative competitive new tools for home buying and selling;
- Limiting market penetration of creative new services that are available in other U.S. brokerage industries;
- Preventing savings in U.S. real estate transaction costs that remain significantly higher than those in most other developed countries.

In its statement to the Justice Department/FTC, AHGA noted that huge amounts are often at stake. In some states home sellers can list their homes in their Multiple Listing Service (MLS) for as little as \$300. However, in many other states new laws promoted by full commission real estate brokers now prohibit such Internet "listing only" practices. On a \$250,000 home in those states the 5-6% full commission amounts to \$12,500-\$15,000. "This forces some homeowners to pay as much as \$14,700 too much for services they neither want nor need," said AHGA President Bruce Hahn.

AHGA strongly supports the Justice Department's recent antitrust lawsuit against the National Association of Realtors' proposed industry rules that would allow brokers to ignore their fiduciary duty and limit the distribution of homeowners' listings in the MLS. Fiduciary duties have also been abrogated by state laws that allow one broker to represent the competing interests of both the buyer and seller in the same transaction.

AHGA asks policymakers to take steps to allow homeowners to utilize the same cost-saving tools available in unfettered markets in such other brokerage industries as travel and securities. Go to <http://www.americanhomeowners.org/AHGA/DoJ-FTC10-25-05.htm> for AHGA's complete statement. Mr. Hahn can be reached at: 571-214-1013

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### **About AHGA**

The American Homeowners Grassroots Alliance (AHGA) is a national nonpartisan consumer advocacy organization dedicated to assisting the nation's 75 million homeowners understand significant policy issues affecting homeowners and homeownership, and empowering homeowners to make their voices heard by state and federal officials. AHGA is headquartered in Arlington, Virginia. For more information please visit [www.americanhomeowners.org](http://www.americanhomeowners.org).